

DEPARTMENT OF SOCIAL SERVICES

44 P Street, Sacramento, CA 95814



May 31, 1988

ALL-COUNTY LETTER NO. 88-51

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: AUDIT AND NUMBERING OF SUPPLEMENTAL COUNTY WELFARE DEPARTMENT (CWD)  
ADMINISTRATIVE CLAIMS

REFERENCE: All-County Information Notice No. I-96-87

This is to advise you that the State Department of Social Services (SDSS) is changing the priority it assigns for its desk audit of supplemental claims and the manner in which these claims are numbered.

Background

All-County Information Notice No. I-96-87 indicated that 1) timely submittal of quarterly administrative claims is essential in order to meet Federal reporting time frames; and 2) as a result, Counties should timely submit their original claims for the quarter, even if the claims are not complete. The SDSS has requested that Counties consolidate their adjustments for the quarter until all corrections have been identified and can be submitted in one supplemental claim.

To measure the workload and timeliness impact on the desk audit process, an analysis of the supplemental administrative expense claims submitted by the Counties for State Fiscal Year (SFY) 1985-86 was conducted. This is the most recent year in which complete data is available for review as all claims had to be received within 18 months after June 30, 1986, or by December 31, 1987. In summary, 37 Counties submitted a total of 104 supplemental claims; 12 of these Counties submitted more than one, and up to 6 supplemental claims, for any given quarter. Multiple supplemental claims submitted for any given quarter increase processing workload and time, and consequently, delay County reimbursement of expenditures.

New Procedure

The SDSS met with a workgroup composed of County representatives in April and obtained concurrence on the following new procedures. In order to expedite reimbursement of County expenditures, and hopefully reduce the number of multiple claims submitted by the same County for a particular quarter, the SDSS is changing the priority for auditing supplemental claims. Effective July 1, 1988, each County's first supplemental claim received for any quarter will have priority for desk audit. Second and successive supplemental claims submitted by a County for the same quarter will not be audited until all original claims and first supplemental claims (in that order) have been audited and released for payment. This may mean that second supplemental claims will not be processed until just prior to the eighteen month deadline for claiming Federal financial participation.

### New Numbering System

In order to both assign priority for desk audit of these claims, as well as to identify them in order to respond to any questions regarding their processing from audit through payment, the SDSS has developed a new numbering system for supplemental claims received after July 1, 1988.

- o Upon receipt, an eight digit number will be assigned:
  - County Code (2 digits)
  - Quarter (2 digits)
  - Year (2 digits)
  - Type of supplemental (1 digit); Counties would use "B" or "S":  
 "B" would be used by the County for a bottom-line adjustment supplemental claim; "S" would reference either a regular supplemental or revised claim. In addition, supplemental claims developed by the SDSS would use the code "X". Examples of supplemental claims developed by the SDSS include corrections of errors it made in its desk audit, reallocating funds based on year-end close-out, and applying audits.
  - Numerical order of supplemental claim submitted for a given quarter (1 digit).

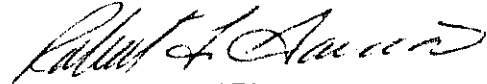
For example: 01/03/88/S1 would indicate Alameda County's March 1988 quarter, supplemental number 1.

- o A letter which acknowledges receipt of each claim and assigns a number will be sent to the County; the County should reference this number in any inquiries regarding this claim. After the claim has been audited, a copy will be sent to the County. Inquiries regarding reimbursement of costs on audited claims should be directed to Mr. Jim Miller, Chief, Accounting and Systems Bureau at (916) 445-0686. If the claim has not been audited, inquiries regarding it should be directed to Ms. Terrie Williams, Supervising Claim Auditor, at (916) 323-4014.

In order to facilitate the desk audit of supplemental claims in which there are no time study changes, we ask that you include only the new, not previously claimed, costs and/or adjustments. For revised claims which include time study changes, include all costs from the original claim, all new costs, and all adjustments. In addition, please ensure that the cover letters which transmit supplemental/revised claims itemize all adjustments and explain the reason for each adjustment.

Please call Mr. Don Morishita, Chief, Fiscal Policy and Procedures Bureau at (916) 445-7046 if you have any questions regarding these changes.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert L. Garcia".

ROBERT L. GARCIA  
Deputy Director  
Administration

cc: CWDA